



The Department of **General Services**



ANNUAL REPORT
2009 - 2010

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PART I

INTRODUCTION:

ORGANIZATION AND RESPONSIBILITIES OF THE DEPARTMENT

RESPONSIBILITIES OF THE DEPARTMENT

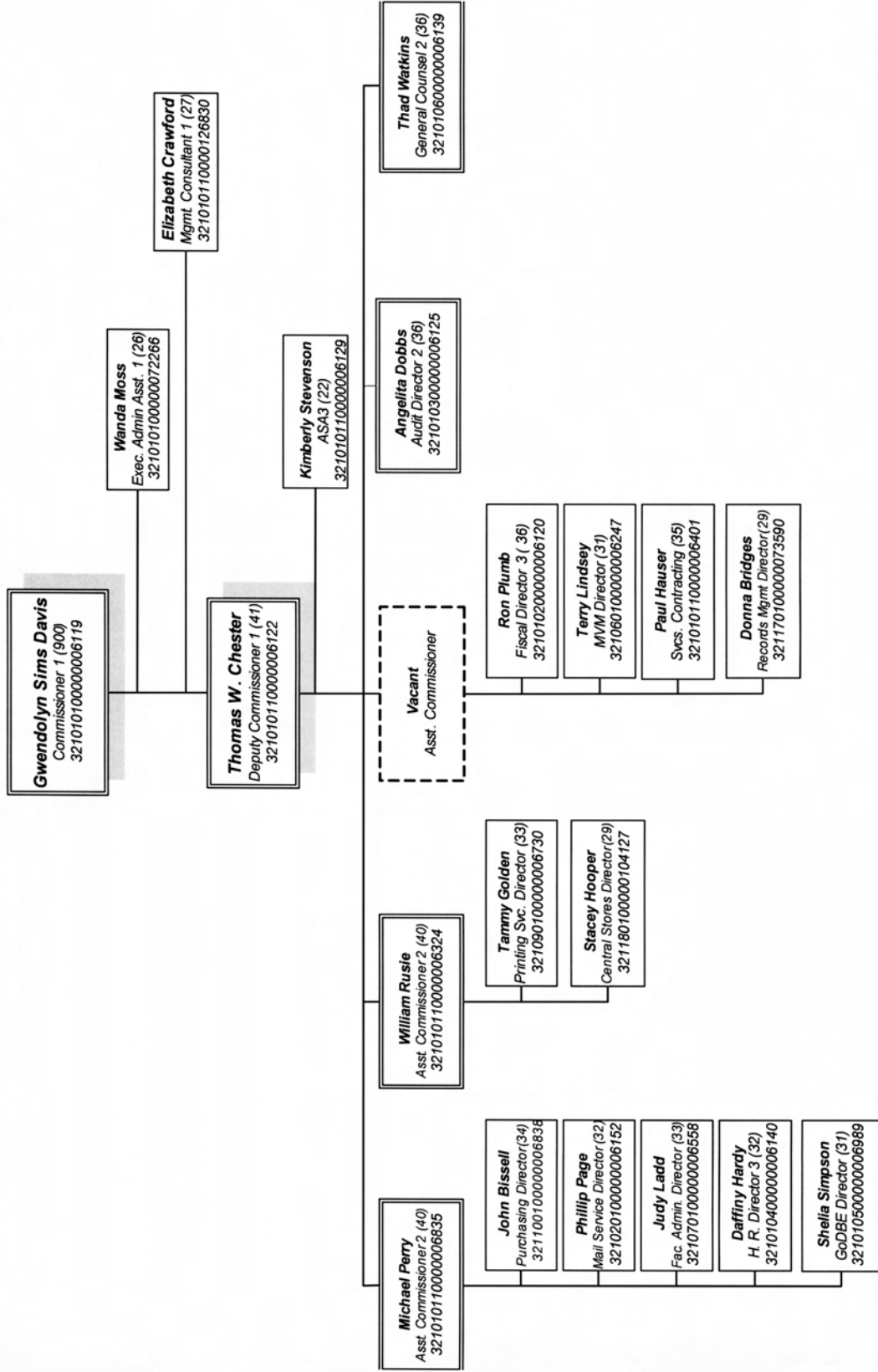
The Department of General Services is the principal agency charged with providing a wide variety of support services to other agencies of state government. The constant objective of this department is to provide the best quality of programs and services. This, in turn, enables other state agencies to operate more efficiently and more cost effectively. Continuing efforts aimed at achieving this objective include: negotiating the best possible contracts for purchasing needed goods and services, ensuring effectiveness of building management operations, streamlining procedures, utilizing new technology to improve efficiency of operations, consolidating services, holding educational seminars and workshops for user agencies, and identifying the need for new programs and services.

Created by the General Assembly in 1972, the Department of General Services serves as the central administrative source for equipment and services required by other state agencies. This centralization of services is essential to the daily operation of state government.

The Governor appoints the Commissioner of General Services. In addition to being a member of the Governor's cabinet, the Commissioner also serves on the following related boards, commissions, and committees: Board of Standards, Information Systems Council, Public Records Commission, Publications Committee, State Capitol Commission, and the Employee Suggestion Award Board.

The structure of the department consists of eleven divisions of varying size which are responsible for administering different aspects of departmental operations. The Deputy Commissioner and the Assistant Commissioners are appointed by and report to the Commissioner of the department.

DEPARTMENT OF GENERAL SERVICES Organizational Chart



PART II
OFFICE OF THE COMMISSIONER

OFFICE OF THE COMMISSIONER

The Office of the Commissioner includes: the department head, the professional and clerical staff who support the office, the Deputy Commissioner, the Assistant Commissioners, the Office of Assurance and Technology Services, Office of General Counsel, Printing and Media Services, Warehouse Administration, Property Utilization, Records Management, Office of Human Resources, and Property Services Management.

Office of Assurance and Technology Services

The Department of General Services (DGS), Office of Assurance and Technology Services, is responsible for the Department's accountability and providing support to the departmental programs. The office is comprised of three business units:

- **Information Technology Services** – provides quality information resources and services for all divisions. Responsible for hardware and software maintenance and development of data processing systems to support the various business functions of the Department.
- **Internal Audit** – provides independent and objective assurance and management advisory services. Seeks to proactively identify risks, evaluate controls, and make recommendations that will strengthen the Department's operations.
- **Procurement Compliance** – provides independent procurement oversight of agencies with delegated purchase authority and ensure compliance with contracts awarded through DGS.

I. Information Technology Services

Information Technology Services seeks to provide technology services with strategic direction and tactical support for managing customer relationships through improving internal and external communications and facilitating cross-functional interactions.

The mission of Information Technology Services is to:

- Enable customers requiring information technology services to better understand the scope of these services and the business value and efficiencies that they bring
- Ensure that the Department's information technology services aligns its services with the needs of the business of state government and that their provision is efficient and customer focused

The main types of work accomplished by the Information Technology Services Business Unit fall within the following areas:

Desktop Support

Desktop Support is responsible for ensuring that all desktops are fully functional and contain the software and hardware necessary for primary users to complete their job functions.

Information Security

The goal of Information Security is to provide information security governance to the Department by policy guidance, standards, and processes that protect the confidentiality, integrity, and availability of information and systems maintained at the Department.

Application Services and Support

Application Services and Support provides application support for all mission critical applications, including custom-built applications needed exclusively for specialized departmental needs.

II. Office of Internal Audit

The mission of Internal Audit is to provide independent and objective assurance and management advisory services. We seek to proactively identify risks, evaluate controls, and make recommendations that will strengthen the Department's operations.

The main types of work accomplished by the Internal Audit Business Unit fall within the following areas:

Internal Control Reviews (Limited Reviews)

Limited Reviews includes reviewing each division's overall system of internal control and administrative control, and evaluating those controls to ensure that the controls are adequate, effective, efficient, and functioning.

Contract Compliance Audit

Contract Compliance reviews high-risk Department contracts to ensure that the vendor and the State are meeting contract specifications and requirements.

Enterprise Risk Management (ERM)

The goal ERM is to provide objective assurance to the leadership of the Department on the effectiveness of the Department's ERM activities to help ensure that key business risks are being managed appropriately and that the system of internal control is operating effectively.

Special Investigations

The Office of Internal Audit will investigate any fraud and/or other investigations. These types of services include looking into suspected irregularities reported through the "hotline".

Advisory (Consulting) Services

The Office of Internal Audit is available to provide customized support for a range of management issues with a focus on organizational and process improvement.

Liaisons with the Comptroller of the Treasury

The Office of Internal Audit investigates thefts, losses, and abuses of state property and submits reports to the Comptroller of the Treasury.

Title VI

The Office of Internal Audit is responsible for implementing, monitoring, and ensuring the Department of General Services compliance with Title VI regulations.

III. Procurement Compliance

The mission of the Procurement Compliance Business Unit is to support the Department of General Services compliance efforts by developing effective compliance monitoring programs to ensure compliance with laws, regulations, rules, and policies.

The Procurement Compliance Division is responsible for:

1. Determining if procurement activities, including payment card activities, are in compliance with the State of Tennessee Procurement Laws and the Tennessee Procurement Manual.
2. Identifying risks or risk exposures and making recommendations for mitigating those risks.
3. Evaluating whether the Purchasing Division is in compliance with procurement laws and procurement procedures regarding awarding and monitoring contracts.

The main types of work accomplished by the Procurement Compliance Business Unit fall within the following areas:

Agency Compliance

T.C.A. § 12-3-210 requires the Department of General Services, acting on behalf of the Board of Standards, to review all departments and agencies delegated purchases that do not exceed \$25,000 to ensure compliance with all applicable Purchasing Guidelines. In accordance with those standards, procurement compliance auditors perform designated reviews of various departments and agencies and report findings and recommendations.

Contract Compliance

The primary objective of contract compliance is to ensure that the state and contractors are in compliance with contracts awarded by the Department of General Services. Contract Compliance includes the following:

- Attending pre-bid meetings
- Reviewing solicitations and contracts
- Surveying user agencies/departments for compliance
- Sampling products/services to ensure compliance with contract specifications
- Sampling contracts for compliance with attestation standards
- Reviewing vendor complaint documents when contracts are recommended for cancellation

Office of General Counsel

The Office of General Counsel for the Department of General Services provides legal advice to the Commissioner, as well as, all divisions of the department on a variety of legal matters including, but not limited to, the following:

- ❖ requests for proposals and contracts,
- ❖ protests involving the purchasing process,
- ❖ rules and regulations,
- ❖ personnel grievances,
- ❖ collection of monetary damages and handling of claims involving state personal property, and
- ❖ any other legal matter.

The General Counsel works closely with the Department's Public Information Officer when necessary, and also acts as legislative liaison for the Department.

Printing and Media Services

The mission of the Printing and Media Services Division is to provide exceptional print media services and products on time and at the lowest possible cost by well trained and motivated employees.

The Printing and Media Services Division's 52 employees provide a full range of graphic and web page design, photography, scanning, printing, copying, and binding services. Specific functions include consultation, forms and publications authorization, typesetting, graphic illustration and design, digital scanning services, stripping, plate making, printing in single and multiple colors, quick copying, duplicating, and a variety of binding capabilities. Customer service representatives provide many services in advising state agencies on forms management and publication approvals as well as helping to write printing specifications and providing cost estimates. The division provides services to all three branches of state government.

The division is organized into the five major sections listed below.

Administration

The purpose of this section is to manage all administrative functions including supervision of the forms and publications programs, customer service staff, job estimating, proofing, scheduling, procurement and inventory control, order entry, billing and timekeeping. The customer service staff works directly with 30 state agencies and more than 85 active state agency customers in writing specifications and coordinating printing needs.

Printing Production

The purpose of the production section is to meet the printing and binding needs of state agency customers utilizing a wide variety of printing equipment and techniques. The production operation is divided into five areas: pre-press, stockroom, pressroom, bindery, and a copy center. Completed printing consisted of forms, books, brochures, letterhead stationery, envelopes, cards, posters, maps, certificates, newsletters, conference agenda items, and news

releases. During the 2009-2010 fiscal year, the division completed 70,466,377 printing impressions representing \$3,168,049 in revenue.

Graphic Arts

The purpose of this section is to prepare illustrations and graphic designs for printing brochures, magazines, signs, display graphics, posters, charts, calligraphy, notebook covers, publication covers, decals, logos, bumper stickers, customer hand lettering, typography, slide show graphics, or any other form of graphic artwork; and to make recommendations concerning conceptual design, color of ink, paper stock, typography, die-cutting, silk screening, and other printing related or visual arts needs. In addition, graphic illustrators supply many state agencies with web page design and illustrations, CD publishing, and other digital services. During the 2009-2010 fiscal year, the graphic arts section completed 297 individual requests for illustration and design, representing \$152,649 in revenue.

Photography

The purpose of this section is to photograph, process, edit, and supply black and white and color photographs for publication in newspapers, brochures and magazines for general public information; to promote the image of Tennessee for tourism or the recruitment of industry; and to supply state officials with photographs of significant and/or historical events. These objectives are accomplished through the areas of editorial, illustrative, advertising, industrial, and portraiture photography, both on location and in a studio setting. On call 24 hours per day seven days a week, photographers cover a wide array of photo needs for agency customers as well as cabinet-level officials. They provide official portraits for the legislature and other executive branch officials. During the 2009-2010 fiscal year, the photographic services section completed 726 individual service requests, representing \$114,053 in revenue.

Micrographics

The purpose of this section is to duplicate documents in a digital format. This is done through the scanning of paper documents, indexing the documents and providing a digital file and/or microfilm for archival purposes. In addition, microfilm can be scanned and an indexed digital file provided. During the 2009-2010 fiscal year, a total of 12,042,087 images were scanned, representing \$324,234 in revenue.

DIVISION VOLUME LAST SEVEN FISCAL YEARS				
FISCAL YEAR	PRINTING REVENUE	GRAPHICS REVENUE	PHOTO SVCS.	MICRO GRAPHICS
2003-2004	\$3,526,894	\$126,812	\$136,728	
2004-2005	\$3,257,787	\$151,093	\$119,620	
2005-2006	\$3,273,606	\$128,717	\$152,557	
2006-2007	\$3,395,488	\$184,662	\$136,057	
2007-2008	\$3,449,167	\$199,264	\$168,450	
2008-2009	\$3,240,280	\$168,313	\$134,526	\$118,492
2009-2010	\$3,168,049	\$152,649	\$114,053	\$324,234

Warehousing and Distribution

The mission of Warehousing and Distribution is two fold: to provide centralized warehousing and distribution services to state agencies with limited storage and manpower; and to redistribute state and federal property to other state agencies, local government, and eligible non-profit programs.

Our warehousing operation provides quality, cost effective supply support, warehousing, and distribution services to departments and agencies of Tennessee State Government.

This mission is accomplished by providing distribution and storage services for a variety of forms, publications, envelopes, and other printed materials at competitive prices. In addition to printed materials, the Division currently offers warehousing and distribution for other specialized items that cannot be warehoused and/or distributed more efficiently or cost effectively elsewhere.

Although Warehousing and Distribution does purchase some of the generic printed materials, the majority of goods are purchased by other State Agencies, with the Division functioning as a third-party logistics center. By providing direct customer order entry to the centralized warehouse, the Division relieves participating agencies of the warehousing and distribution burden, allowing the reallocation of staff to other duties.

Services are offered short and long-term, alleviating the need for the agency to seek independent services. Because the Division specializes in warehousing and distribution, and is equipped to provide these services; agencies can avoid the costs associated with overhead by utilizing this “shared services” distribution ideology. Warehousing and Distribution also assists state agencies in the areas of inventory and space management, introducing cost-effective warehousing and distribution methods for better utilization of available space and inventory.

Constant communication and feedback from customers allows for customization for special needs, as well as best practice inventory management operations. Because of the level of expertise in warehousing and distribution, and the focus solely on these specific operations, the Division is able to provide the most efficient and cost-effective means of warehousing and distribution. By utilizing this consolidated effort, agencies are able to avoid excessive cost, while still remaining confident that their product will be handled in the most expeditious and proficient manner.

Warehousing and Distribution operates from a 74,000 square foot central warehouse in West Nashville. The warehousing and distribution program maintains an inventory of more than 900 agency-owned items, and 96 owned products. In FY10, more than 14,400 orders were shipped from this location.

Divisional services also include:

- Inventory management, including tracking of all orders, maintaining minimum and maximum inventory re-order levels, continual agency notification on order backlogs, backorders, spikes in customer orders and usage, and historical information.
- Various management reports to help participating agencies better forecast and plan.
- Shipment consolidation of orders, for the lowest shipping rates possible.

- Ability to accommodate emergency requests.
- Monitored security system, with environmental controls.

The State Surplus Property Program within the Division works closely with state agencies, assisting them in the disposal of property they have deemed obsolete or no longer needed. Disposal is accomplished by transferring property back into state service, by transferring property to eligible governmental entities and other non-profit health or educational organizations, or by selling to the general public if not needed by eligible organizations. During fiscal year 2010 state property with an approximate fair market value of \$209,547 was transferred to eligible organizations. In addition, 1,290 line items of property offered to the general public through INTERNET sales generated \$1,321,439 in revenue for the State of Tennessee.

Warehousing and Distribution acts as an agent for the Federal Government screening, transporting, and redistributing Federal surplus property to state agencies, governmental entities, and other eligible recipients in the state of Tennessee. Additionally, the Division administers the Department of Defense (DOD) Law Enforcement Support Office (LESO) program that redistributes DOD surplus property to local law enforcement agencies for use in their drug eradication or anti-terrorism activities. During fiscal year 2010 the LESO program assisted 68 Law Enforcement Agencies with acquiring DOD surplus property with an approximate value of \$23,421,564.

The Federal Surplus Property section also participates in the Federal government's General Services Administration's (GSA) Fleet Management auction program and acquires vehicles for redistribution to eligible organizations. During fiscal year 2010, 15 vehicles were purchased at a cost of \$117,100. A net revenue of \$10,650 was realized in this program area.

The Federal Surplus Property program of Warehousing and Distribution redistributed surplus Federal property with an original acquisition cost of approximately \$602,029 to eligible Tennessee agencies and through all programs collected fees totaling approximately \$65,257 to cover operational cost of the section.

Records Management

The Records Management Division (RMD) was created by Tennessee Code Annotated 10-7-303 to serve as the primary records management agency for state government. The division provides all state agencies with analytical and managerial support using systematic controls encompassing the maintenance, use, and final disposition of records regardless of media to achieve adequate and proper documentation of state policies and transactions. The division also provides administrative support to the Public Records Commission (PRC). The membership is comprised of representatives from the Office for Information Resources (OIR), Tennessee State Library & Archives (TSLA), Attorney General's Office and Records Management Division.

The division is comprised of the following five components:

Records Analysis (RDA Development)

The records analysis component of the RMD provides consulting services and continuing education opportunities for records officers and coordinators so that they can manage their records more efficiently and effectively. This is achieved through monthly training sessions at the state records center and agency visitations. Records Analysts assist agencies in the development of Records Disposition Authorizations (RDAs). This ensures proper retention and disposition of records having administrative, fiscal, legal and historical value.

The total accumulated number of RDAs approved by the PRC is 1,856 of which 193 are for electronic records. Those that require permanent retention account for about 3% while a similar proportion is regarded as vital. Overall, approximately 75% of records are held for 20 years or less based on current retention schedules and actual records in the state records center as well as those in the agencies as reported in the annual record holdings report.

In 2009-10 the records analysts conducted 45 basic records management training classes with a total attendance of 326. Together with the annual fall seminar that attracted 126 participants from 32 state agencies, the total number of people exposed to topical records and information management issues was 452. These sessions provided a good forum for meeting records officers and coordinators and enabled participants to review retention schedules and discuss other pertinent record management issues.

The Analytical section also coordinated the annual Operation Roundfile campaign which seeks to rid the state of non-record material such as reference books, catalogs and magazines that are no longer utilized. In 2009-10, approximately 2,300 cubic feet were disposed with an estimated cost avoidance of approximately \$72,000.

Forms Management

The forms management program focuses on the reduction and simplification of forms used by the state government in its daily operations of providing services to the public and interacting with businesses. In fiscal year 2009-2010, the State of Tennessee had a total of 9,707 forms. During the year, 385 forms were approved and 594 revised. 313 forms were deleted for an estimated cost avoidance of over \$319,573.00

Records Center Services

The state records center is an off-site storage facility for inactive records (including microfilming, microfiche, and magnetic computer tape) with a storage capacity of 104,000 cubic feet of records. The facility provides state government with a cost-effective alternative for the storage of inactive records. At the end of fiscal year 2009-2010, 157,073 cubic feet of records were stored in the state records center as well as overflow facility at TRICOR. During this period, the agency received 7.852 cubic feet of agency records for storage, destroyed 5,080 cubic feet and responded to 5,742 agency records retrieval & refile requests.

Publications Program

The Commissioner of the Department of General Services is responsible for establishing new rules and regulations to control the cost and proliferation of publications and to promulgate guidelines governing the printing and distribution of state agency publications. During fiscal year 2009-2010, 610 publications were approved at a total cost of \$5,132,161.00.

The Office of Human Resources

The Department of General Services Human Resources Office provides leadership in the development, implementation, and administration of sound human resources policies, procedures, programs, and services which support The Department of General Services' mission of focusing on the customer, focusing on the employee, and focusing on the process. Further, the Human Resources Office's goal is to be responsive to the changing needs of constituents, including employees, management, employee organizations, and other state related entities, while advancing the strategic goals and interests of the Department.

The Human Resources Office seeks to add value to the department by offering services through open communication, professionalism, expertise, and honesty. This is accomplished by advising and making recommendations through two business units: Transactions & Benefits and Organizational Development.

The Human Resources Office also develops trusted relationships with its clients by enhancing their knowledge about employment laws and regulations, benefits, training, personnel transactions, affirmative action and other functional areas in Human Resources by sending weekly management tips, updating intranet site, and through consultation with knowledgeable Human Resources staff members.

As the Human Resources Office continues to evolve and bring more value added recommendations and services to the Department, human resources expertise of staff members should show through so that the office is viewed with fulfilling the following important roles:

1. Strategic partner

Participate in the formulation of departmental and divisional strategy, especially with respect to the implications of strategic decisions on the culture and talent of the company.

2. Functional expert

Put in place the right human resources processes and policies to make strategy implementation happen. You can only do this with an adequate understanding of the roles and responsibilities required by each function.

3. Human capital developer

Identify and develop the skills and talent required by the Department's particular strategy to enable excellent strategy implementation.

4. Employee advocate

Ensure that people's needs are met to create a win-win situation for both the executive/management team of the Department of General Services and each employee.

Property Services Management

The primary objective of the Division of Property Services Management (PSM) is to administer the Department of General Services' property management program and to provide a business like approach on a global basis to the FRF buildings in General Services care. In order to achieve this goal, PSM works in close partnership with the Department of Finance and Administration, Real Property Management (RPM) and Capital Projects Management (CPM), as well as with other Divisions in the Department of General Services. The program includes management of building services state-owned and leased facilities statewide. Tenants include every department in the Executive, Legislative and Judicial Branches of Tennessee government. In order to efficiently manage and provide critical services for employees and tenants, PSM consists of the following programs:

Administration

The Administrative Group provides administrative support programs for FRF facilities and the employees of PSM. This group is responsible for the coordination of leased facilities with the Department of Finance and Administration, all required personnel transactions including separations, Personnel Action Requests, and disciplinary actions, the Performance Evaluation program, divisional correspondence, administrative support for the Division Headquarters, Edison, vehicle log and telephone reconciliations, year end inventory, and general office duties

Operations

PSM divides its state owned and leased buildings into a series of complexes. There are presently 14 complexes under this program containing approximately 6,601,492 square feet of state owned and approximately 3,574,265 square feet of leased facilities for a total of 10,175,757 square feet of space operated and maintained by PSM.

During fiscal year 2009-2010, the operations group, consisting of an assistant director and each of the complex facility administrators and their associated staffs, operated and maintained the following facility complexes:

- Andrew Jackson Complex (includes Andrew Jackson, Rachel Jackson, Citizen's Plaza, and Polk)
- Capitol Hill Complex (includes Legislative Plaza, War Memorial, Cordell Hull, Central Services, and John Sevier)
- Chattanooga Complex
- Cordell Hull Complex
- Dr. R. S. Gass Complex (includes T.B.I. Building, Data Center, T.R.A. Building, 900 and 1000 Second Avenue North Buildings)
- General Services Complex (includes Ellington Agricultural Center)
- Jackson Complex
- James Robertson Complex
- Johnson City Complex
- Knoxville Complex
- Memphis Complex
- Middle Tennessee Complex
- William R. Snodgrass Tennessee Tower Complex
- Horticultural Grounds
- TPS Complex
- Metro Center Complex (includes Labor and Workforce Development and TennCare)

Facility staff performed facility surveys, preventative and operational maintenance, routine maintenance and emergency repairs to protect the investment of the State of Tennessee's property.

Contract/Procurement Management

The Contract/Procurement group is responsible for contract management of the approximately 500+ agency and state wide contracts for janitorial, security and building maintenance services. In addition, this group functions as the liaison between the complexes and the Division of Purchasing

Energy Management

PSM's energy conservation is in conjunction with then Governor's Energy Management Program. One of the highlights of FY2009-2010 was the purchase of Utility Management software to assist with managing and forecasting utility trends in FRF buildings. The utility database has been constructed and will capture all utility usage and associated costs. Initial reporting of usage and cost has been completed. PSM energy staff is currently performing comparisons between buildings, determining high-use facilities, which will help in planning for future energy-saving projects. The program also identifies the most efficient and most inefficient buildings, by cost per square foot.

Elevator Inspector

Annually, the Elevator Inspector inspected on a rotational basis all of the elevators in the FRF program. This position insures the responsible administration of the Statewide Contract and provides technical assistance, establishes maintenance schedules, insures contract compliance, and provides on the job training to complex staff and PSM Management on approximately 179 elevators and escalators in the FRF program.

Department of General Services Office of Physical Security

The DGS Office of Physical Security is responsible for the state wide building security program which encompasses in excess of 162 buildings.

Fire/Life/Safety

The Fire/Life/Safety Program is responsible for the overall Life Safety issues in the facilities managed by PSM. In FY 2009-2010, there were 12 work-related injuries and illnesses.

Projects

The Project group is responsible for administering all projects outside the scope of daily operations and maintenance in the complexes.

PART III
OFFICE OF THE DEPUTY COMMISSIONER

ADMINISTRATIVE SERVICES

Administrative Services includes the Office of Financial Management, and the Division of Motor Vehicle Management. These operations are responsible for the department's accountability and support to the departmental programs.

Office of Financial Management

In July 1983, General Services centralized the management responsibility for the various fiscal functions performed throughout the department. Actual consolidation of positions and establishment of a central office for the Office of Financial Management was completed by July 1, 1985. The Office of Financial Management currently has a staff of para-technical and para-accounting staff, and professional accounting and budgeting personnel.

The Office of Financial Management is responsible for the preparation, administration, and/or supervision of the following functions:

- ❖ annual departmental budgets and periodic budget revisions,
- ❖ monitoring and analysis of transactions for the purpose of budget to actual comparisons,
- ❖ processing and audit of vendor invoices using Edison
- ❖ contract audits for compliance and reconciliation,
- ❖ approval of departmental purchases using Edison,
- ❖ audit of employee leave and attendance reporting records,
- ❖ departmental cost allocation and labor distribution using Edison,
- ❖ processing of employee payroll transactions utilizing Edison,
- ❖ review and approval of employee payroll checks and direct deposits,
- ❖ financial transactions and transfer of ownership of state surplus property sold at public auction,
- ❖ financial analysis of capital purchase decisions for the department,
- ❖ financial advisory services and fiscal training programs for the department,
- ❖ receipt of monies, daily bank deposits, and monthly reconciliations,
- ❖ interagency billing for all services provided by the department,
- ❖ maintenance of accounts receivable records and subsequent monitoring and collection,
- ❖ department asset management using Edison,

- ❖ maintenance of perpetual inventories and annual inventory reconciliation, and
- ❖ annual department financial statements and other periodic financial reporting.

Motor Vehicle Management

The Division of Motor Vehicle Management was established in 1972 with a small dispatch fleet consisting of 25 vehicles. Throughout the years, the division has continued to incorporate agency and departmental vehicles into its fleet and, today, the fleet consists of approximately 4,902 vehicles, ranging from subcompact sedans to 50,000-pound tandem road tractors. In 1993, the equipment revolving fund was implemented. The equipment fleet, including attachments, currently consists of 2,669 pieces of equipment.

The mission of Motor Vehicle Management is to provide the most efficient and economical ground transportation possible to the various departments and agencies of state government. In addition, the division is responsible for establishing and implementing rules and regulations for the acquisition, utilization, assignment, and maintenance of vehicles and equipment.

To manage these responsibilities, Motor Vehicle Management has four sections:

- ❖ Administrative
- ❖ Fleet Management
- ❖ Fleet Support
- ❖ Dispatch

MVM also manages the state employee vanpool program and the State Employee Shuttle Service that provides transportation from the employee parking lots to State buildings in downtown Nashville.

Motor Vehicle Management is currently located at 2200 Charlotte Avenue., and performs minor maintenance, including emission testing on dispatch and cabinet-level vehicles consisting of 314 units.

PART IV
OFFICE OF THE ASSISTANT COMMISSIONER
SUPPORT SERVICES

SUPPORT SERVICES

Support services includes the divisions of the Governor's Office of Diversity Business Enterprise, Postal Services, Purchasing, and Cook/Chill Production Services. These programs are statewide functions that manage diversity support services, mail services, procurement services, and food production services for state departments and agencies.

Governor's Office of Diversity Business Enterprise

The Governor's Office of Diversity Business Enterprise was created by Executive Order No 14, signed by Governor Phil Bredesen on December 8, 2003. The Office is to provide a centralized organization to facilitate greater opportunities for small, minority, and woman owned businesses in the State of Tennessee's procurement and contracting activities. The Governor's Office of Diversity Business Enterprise is attached to the Department of General Services for administrative purposes, under the direction of the Commissioner of General Services.

The Governor's Office of Diversity Business Enterprise is directed to work with the five major procurement entities; the Department of Economic and Community Development, the Department of Finance and Administration, the Department of General Services, the Department of Transportation and the State Building Commission to ensure an optimal level of participation by small business and minority, women owned businesses. Effective July 1, 2010 and service-disabled veteran owned business were added to the existing law and included in the language at Tennessee Code Annotated §12-3-801 through 808.

The Department of General Services initiated legislation during the 2004 session of the 103rd General Assembly known as the "Tennessee Minority Owned, Woman Owned and Small Business Procurement and Contracting Act". This act received overwhelming support in both houses of the legislature and was signed into law by the Governor on April 27, 2004. Codified as Public Chapter 569, Public Acts of 2004, the act requires the Governor's Office of Diversity Business Enterprise to:

- 1) Compile and maintain a comprehensive list of minority owned, woman owned and small businesses to provide potential sources for various goods and services.
- 2) Assist minority owned, woman owned and small businesses in complying with state procurement and contracting procedures and requirements.
- 3) Examine requests from state agencies for the purchase of materials, supplies, equipment or services to help determine which invitations to bid and requests for proposals may offer increased opportunities for minority owned, woman owned and small businesses; and
- 4) Make recommendations to appropriate state agencies for the simplification of procurement and contract specifications and terms in order to increase the opportunities of participation by minority owned, woman owned and small businesses.

All departments, agencies, boards and commissions are required to fully cooperate with the Governor's Office of Diversity Business Enterprise to provide information regarding upcoming procurement opportunities, make periodic reports on diversity business participation and actively solicit bids and proposals from small, minority, woman owned and service-disabled veteran owned businesses. In addition, each department is required to establish internal agency level goals of small, minority and woman owned business contracting.

The Office participates in statewide public meetings and events to acquaint the diversity business community with its services and to increase the available pool of diversity businesses to provide needed goods and services to state departments and agencies.

As of June 30, 2010, the Office has participated in 51 workshops and conferences with over 6,200 participants. These meetings were held all across the state and are continuing through the coming year. By the end of fiscal year 09, this outreach program and other efforts by the office resulted in registration of 2,861 diversity business enterprises. Of that number, approximately 1,800 businesses have been certified as minority owned, woman owned or small business. Certifications issued to service-disabled veteran owned businesses will be included in fiscal year 2011.

The Office will report to the Commissioner of the department who will report annually to the Governor and each member of the General Assembly concerning the awarding of purchases to minority owned, woman owned, service-disabled veteran owned and small businesses. The report includes; number of solicitations sent, number of bids received, and the number and the dollar amount of purchases awarded.

Postal Services

The Division of Postal Services was created in 1972, by statute, to establish centralized mail services for state agencies in Davidson County. The primary objective of the division is to provide an efficient and economical mail system for both incoming and outgoing mail.

Postal Services is recognized as the liaison for state government and the United States Postal Services (USPS). All activities are performed in accordance with USPS rules and regulations. Maintaining a close working relationship with USPS officials enables the state to coordinate services specific to its needs.

Mail is an area easily susceptible to excessive costs. Postal Services is cost conscious and division personnel are trained to screen all outgoing mail and meter accordingly. Cost comparisons are performed routinely to stay abreast of the most desirable mailing methods. This information is shared with user agencies through training classes and mail piece design assistance to reduce postage costs whenever possible.

In the spring of 1994, Postal Services completed its major consolidation plan of independent mail operations in Davidson County. State Postal Services' central mailroom, along with satellite offices for the departments of Revenue, Labor & Workforce Development, Human Services, and Safety, were relocated to the William R. Snodgrass Tennessee Tower making it unique in consolidated mail facilities as the first state operation under one roof and one management.

On May 21, 1997, Postal Services received the prestigious 1997 Industry Excellence Award for State and Local Government from the United States Postal Service. The Industry Excellence Award recognizes those who demonstrate progressive mailing practices and set the standards for excellence in the mailing industry. The director accepted the award on behalf of General Services at the National Postal Forum in New Orleans, Louisiana.

The presort program implemented in 1980 has been the most beneficial source for reducing postal costs. The use of automated equipment enabled Postal Services to sort the output of all other departments to produce one single mailstream and maximize postage discounts. In fiscal year 2009-2010, the presort program produced a postage savings of \$3,680,887.79. Since its inception, the presort program has saved \$40,974,511.67.

During the fiscal year 2009-2010, Postal Services handled through its various units and processes some 44,644,183 pieces of outgoing U.S. mail: 35,056,074 first-class presort, 37,398,855 inserted and 7,245,328 metered.

Mail carriers travel a 38-mile radius from the state capitol to provide service to its customers. Pick-up and delivery of U.S. mail and messenger mail is provided to over 414 state offices per day with an average of 170 miles traveled per day.

During fiscal year 2009-2010, Postal Services delivered 5,581,046 pieces of incoming U.S. mail and 280,320 pieces of messenger mail.

The Incoming Mail Unit is also responsible for screening incoming U.S. mail for potential threats, including explosive devices and chemical or biological hazards. In response to the events of September 11, 2001, personnel have been trained to recognize characteristics of a suspicious mail piece or package and to isolate the envelope or package and contact the proper authorities. In addition we purchased x-ray screening equipment to examine contents of suspicious articles.

The State Capitol Branch Post Office is operated by Postal Services. Services include the sale of money orders, postal stock, and the preparation of numbered articles such as insured, certified, registered and express mail.

Purchasing

The Division of Purchasing is charged by Tennessee Code Annotated, Title 12, Chapter 3, with the centralized procurement of goods and services for use by state departments and agencies. Reporting capability of all solicitations and purchases made from diversity businesses is provided by Edison.

Term contracts are established for purchases of significant volume and expenditures, thereby, standardizing the cost of procuring goods and services.

The number and dollar volume of purchase orders for fiscal year 2009-10 are summarized on the report below.

For the period 07/01/2009 - 06/30/2010.				
Document (Order) Type	Dollar AMT	Percent of Total \$ Amt	PO Count	Percent of Total Orders
DOT - PUR, One-Time Purch (Non-Cntr)	6,881,668.38	2.30	2921	2.27
DDA - PUR, Delegated Purchase Auth	1,588,208.01	0.53	1025	0.80
DCR - Contract Release Order	264,203,753.61	88.18	91150	70.97
DPO - PUR, Emergency PO Request	206,312.91	0.07	9	0.01
LPA - Local Purchase Authority	26,734,963.26	8.92	33335	25.95
Total	\$299,614,906.17	100%	128440	100%

Statewide Contracts Awarded 384
Agency Contracts Awarded 310

Cook/Chill Production Services

The Division of Cook/Chill Production Services was established in July 1995. The production center is located on the grounds of the old state prison in Nashville. This USDA inspected facility has the capacity to produce more than 21 million meals a year on a single eight-hour shift. Sodexo Corporation is currently under contract to operate this facility for the state.

Currently, the facility is preparing and distributing food supplies for four state agencies. They are: the Department of Correction, Department of Mental Health/Developmental Disabilities, Department of Education, and Department of Children's Services. These agencies represent 31 different "receptor sites" across the state, which served approximately 19,928,688 meals in the fiscal year ending June 30, 2010.

Using "state of the art" cook/chill equipment, the facility produces soups, sauces, gravies, and casseroles in 400-gallon kettles. Whole meats such as beef top rounds, turkey breast, and pork loins are prepared in 1,000 pound cook tanks. These products have a shelf life of six weeks when chilled in 28-32 degree refrigerators. The remaining items are prepared conventionally and "blast frozen". The shelf life of these products is six months.

Bakery items, such as biscuits, sheet cakes, cobblers, muffins, etc..., are prepared in our bakery, frozen, and then shipped with our other products once a week in specially designed refrigerated trucks. A typical bakery savings as related to our popular biscuits, is about \$160,000 a year in annual savings. We produce over 8 million biscuits a year.

The State of Tennessee cook/chill program is capable of providing prepared foods to other federal, state, and local institutions.

